IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT :

THE HONOURABLE MR. JUSTICE C.N.RAMACHANDRAN NAIR

WEDNESDAY, THE 12TH SEPTEMBER 2007 / 21ST BHADRA 1929

WP(C).No. 26109 of 2007(G)

PETITIONER:

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1. RAJAN M.KURIAN, S/O.M.KURIAN,
   MAMPILAVIL, T.C.8/741, M.C.P.O.,
   PONGAMOODU, THIRUVANANTHAPURAM.

2. SMT.SOSAMMA RAJAN, W/O.RAJAN M.KURIAN,
   MAMPILAVIL, T.C.8/741, M.C. P.O.
   PONGAMOODU, THIRUVANANTHAPURAM.

BY ADV. SRI.M.RAMASWAMY PILLAI
SRI.P.M.JOSEPH

RESPONDENTS:

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1. STATE OF KERALA, REPRESENTED BY THE
   CHIEF SECRETARY, STATE SECRETARIAT,
   THIRUVANANTHAPURAM.

2. THE KERALA FINANCIAL CORPORATION,
   REP. BY ITS MANAGING DIRECTOR,
   VELLAYAMBALAM, THIRUVANANTHAPURAM.

3. THE CHIEF MANAGER,
   KERALA FINANCIAL CORPORATION,
   VELLAYAMBALAM, THIRUVANANTHAPURAM.

4. P.P.PAULOSE, MANAGING PARTNER,
   M/S. PALLANNATTIL CONSTRUCTION COMPANY,
   (ENGINEERS & CONTRACTORS),
   KURUSADI JUNCTION, NALANCHIRA,
   THIRUVANANTHAPURAM.

5. THE DISTRICT COLLECTOR, COLLECTORATE,
   THIRUVANANTHAPURAM.

6. THE TAHSILDAR (R.R), THIRUVANANTHAPURAM.

7. THE VILLAGE OFFICER, ULLOOR VILLAGE,
   TRIVANDRUM.

8. THE VILLAGE OFFICER,
AYIROORPARA VILLAGE, TRIVANDRUM.

9. THE VILLAGE OFFICER,
CHERUVAKKAL VILLAGE, TRIVANDRUM.

R2&3 BY ADV. SRI.R.S.KALKURA, SC
R1 & 5 TO 9 BY G.P. SMT.M.K.PUSHPALATHA

THIS WRIT PETITION (CIVIL) HAVING COME UP FOR ADMISSION ON 12/09/2007, ALONG WITH WPC NO. 26412 OF 2007 & WPC NO.26422 OF 2007, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

C.N.RAMACHANDRAN NAIR, J.

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W.P.(C) Nos.26109, 26412 & 26422 of 2007

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Dated this the 12th day of September, 2007.

JUDGMENT

Heard counsel appearing for the petitioners in all the three cases and Standing Counsel for KFC. The petitioners are admittedly guarantors who have mortgaged property for loan availed by 4th respondent in W.P. 26109/2007. Out of five items of properties mortgaged, one item was already sold and sale got confirmed. The balance four items are taken over by KFC under the State Financial Corporations Act and are proposed to be sold. Since petitioners do not dispute liability and have undertaken to settle liability within six weeks from now, these W.Ps. are disposed of directing the KFC to withhold all proceedings for sale of properties for six weeks from today. The petitioners are free to negotiate for sale of even the mortgaged properties. However, sale deed will be executed only after full arrears under loan accounts for which petitioners have stood as sureties are settled. If payment is made within six weeks, then there will be direction to KFC to grant eligible incentives to the petitioners under OTS scheme. If payment is not made within six weeks, the KFC is free to sell the properties and recover full arrears without granting any incentives. There will be

direction to the KFC to give detailed statement of account showing advances made, debits on various accounts and credits given for payments by debtors and recoveries made for petitioners to ask for correction if any. Copies of statement should be furnished to all the petitioners within a week from the date of production of copy of this judgment.

C.N.RAMACHANDRAN NAIR
Judge

pms